# Scansource, Inc.

**SCSC**

Nasdaq; shops; SIC 5045, Wholesale-Computers & Peripheral Equipment & Software; CIK 0000918965

**C**

**middle fifth of 239 graded peers in shops**

rank 118 of 239; percentile 49.2; sampling error 3.0 points; lower is stronger

A B C D E

**C, the tortoise**



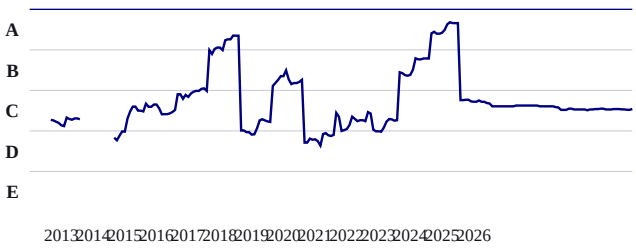
| Scoreboard | |
|---|---|
| **Profitability** | C/D<br>percentile 63.0 |
| **Solvency** | B<br>percentile 23.3 |
| **Growth and financing** | C/D<br>percentile 61.9 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.9B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Aug 20, 2026<br>93 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026 |
| **Last close** | $43.55<br>2026-11-20; market equity $885.3M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Aug 20, 2026*

ScanSource, Inc. (together with its subsidiaries referred to as the "Company," "ScanSource," "we," "us," or "our") is a leading technology distributor uniquely positioned to address complex, converging technologies and to accelerate growth for channel sales partners across hardware, software as a service ("SaaS"), connectivity and cloud services. ScanSource uses multiple sales models to offer technology solutions from leading suppliers of specialty technologies, connectivity and cloud services. The Company operates primarily in the United States and Brazil.

## The thirteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 63.0** | | | | | | |
| Gross profitability | 22.6% | 43.5% | | 79.7 | 223 | 2026-06-30 |
| Return on invested capital | not computable | 11.5% | | | | |

*latest aligned inputs end 2012-06-30; latest annual assets end 2026-06-30*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (2.4%) | (4.9%) | 78.3 | 268 | 2026-06-30 |
| Gross margin stability, five years | 0.7 pts | 1.2 pts | 30.8 | 202 | 2026-06-30 |
| **Solvency, sleeve percentile 23.3** | | | | | |
| Altman Z double-prime | 5.20 | 1.93 | 14.3 | 197 | 2026-06-30 |
| Net debt to EBITDA | not computable | 1.65x | | | |
| *latest aligned inputs end 2012-06-30; latest annual assets end 2026-06-30* | | | | | |
| Interest coverage | not computable | 3.83x | | | |
| *latest aligned inputs end 2023-06-30; latest annual assets end 2026-06-30* | | | | | |
| Current ratio | 1.76x | 1.34x | 32.2 | 274 | 2026-06-30 |
| **Growth and financing, sleeve percentile 61.9** | | | | | |
| Revenue growth, three-year compound | (5.2%) | 1.8% | 78.3 | 250 | 2026-06-30 |
| Free cash flow growth, three-year compound | not computable | 5.2% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | (70.7%) | 13.1% | 93.0 | 143 | 2026-06-30 |
| Asset growth, three years | (2.2%) | 3.3% | 69.6 | 251 | 2026-06-30 |
| Net share issuance, one year | (8.0%) | (0.6%) | 6.8 | 206 | 2026-08-17 |

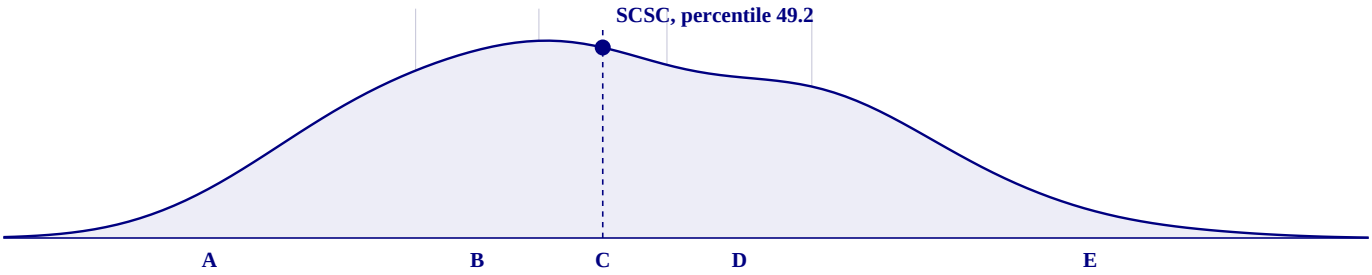
## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 23,744,000 USD; Altman Z is not used |

## Among 239 peers

*shops; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 113 | Central Garden & PET Co. (CENT) | 47.1 | C | |
| 114 | Group 1 Automotive Inc. (GPI) | 47.5 | C | |
| 115 | Titan Machinery Inc. (TITN) | 47.9 | C | fortress balance sheet |
| 116 | Boise Cascade Co. (BCC) | 48.3 | C | |
| 117 | Foster L B Co. (FSTR) | 48.7 | C | |
| 118 | Scansource, Inc. (SCSC) | 49.2 | C | fortress balance sheet |
| 119 | TD Synnex Corp. (SNX) | 49.6 | C | |
| 120 | Reliance, Inc. (RS) | 50.0 | C | |
| 121 | Bath & Body Works, Inc. (BBWI) | 50.4 | C | |
| 122 | Universal Corp. (UVV) | 50.8 | C | late filer |
| 123 | Mckesson Corp. (MCK) | 51.3 | C | |

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## What the price implies

*at the 2026-11-20 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 36.9% | (0.5%) | 79 |
| Distance from 52-week high | (30.0%) | (25.1%) | 42 |
| EBIT to enterprise value | 8.3% | 5.5% | 78 |
| Free cash flow yield | 12.9% | 4.2% | 85 |
| Book value to price | 1.03 | 0.40 | 80 |
| Sales to price | 3.64 | 1.70 | 71 |
| Composite equity issuance, five years | (22.7%) | (17.2%) | 34 |
| Relative strength against the sector, log excess return | 0.40 | 0.08 | 79 |
| Twelve-month failure probability, CHS model | not computable | 0.04% | |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 8 of 9, period end 2026-06-30** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $45.9M |
| Operating cash flow, four quarters | $57.6M |
| Months of runway | not finite |
| Days since last periodic filing | 16 (10-Q received Nov 5, 2026) |
| Median daily dollar volume, 63 sessions | $15.1M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $437.4M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 2 | assets | us-gaap:Assets | $1.9B | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $113.5M | 2012-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $111.2M | 2012-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $36.9M | 2012-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 6 | total debt | us-gaap:LongTermDebt | $5.4M | 2012-06-30 | 2012-08-24 | 10-K | 12-000014 |
| 7 | book equity | us-gaap:StockholdersEquity | $652.3M | 2012-06-30 | 2015-08-27 | 10-K | 15-000020 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $29.2M | 2012-06-30 | 2015-08-27 | 10-K | 15-000020 |
| 9 | total debt | us-gaap:LongTermDebt | $30.4M | 2011-06-30 | 2012-08-24 | 10-K | 12-000014 |
| 10 | book equity | us-gaap:StockholdersEquity | $587.4M | 2011-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $28.7M | 2011-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 12 | net income | us-gaap:NetIncomeLoss | $78.9M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $123.1M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 14 | assets | us-gaap:Assets | $1.8B | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.2B | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 16 | gross profit | us-gaap:GrossProfit | $408.6M | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.0B | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 18 | gross profit | us-gaap:GrossProfit | $399.1M | 2024-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.3B | 2024-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 20 | gross profit | us-gaap:GrossProfit | $449.2M | 2023-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.8B | 2023-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 22 | gross profit | us-gaap:GrossProfit | $426.5M | 2022-06-30 | 2024-08-27 | 10-K | 24-000029 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.5B | 2022-06-30 | 2024-08-27 | 10-K | 24-000029 |
| 24 | current assets | us-gaap:AssetsCurrent | $1.5B | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $859.1M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $1.0B | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | $98.6M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 28 | book equity | us-gaap:StockholdersEquity | $910.8M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 29 | liabilities | us-gaap:Liabilities | $1.0B | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 30 | depreciation amortization | us-gaap:Depreciation | $3.5M | 2012-06-30 | 2014-08-28 | 10-K | 14-000019 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | $135.9M | 2023-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 32 | interest expense | us-gaap:InterestExpense | $19.8M | 2023-06-30 | 2023-08-22 | 10-K | 23-000023 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $9.3M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $112.3M | 2025-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $8.3M | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $371.6M | 2024-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $8.6M | 2024-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | -$35.8M | 2023-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $10.0M | 2023-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 40 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $23.6M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $103.7M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | $24.9M | 2026-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 43 | current assets | us-gaap:AssetsCurrent | $1.4B | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $683.0M | 2025-06-30 | 2026-08-20 | 10-K | 26-000044 |
| 45 | assets | us-gaap:Assets | $1.8B | 2024-06-30 | 2025-08-21 | 10-K | 25-000029 |
| 46 | assets | us-gaap:Assets | $2.1B | 2023-06-30 | 2024-08-27 | 10-K | 24-000029 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 20,142,812 | 2026-08-17 | 2026-08-20 | 10-K | 26-000044 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 21,884,508 | 2025-08-18 | 2025-08-21 | 10-K | 25-000029 |

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